Performance of Nationalised Banks

60. PROF M.M. AGARWAL: Will the Minister of FINANCE be pleased to state :

(a) whether Government have reviewed working and performance of all the Nationalised Banks in the country;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the details of the steps being taken by Government in this respect?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The performance of public sector banks has been reviewed for the year ending March 2003. A consolidated report on the working of public sector banks would be laid on the Table of the House.

(c) and (d) Do not arise.

Easing of borrowing costs for States

61. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Government have mooted a proposal to ease the borrowing costs for States to finance their annual plans;

(b) if so, the details thereof;

(c) whether Government are looking at providing funds to States in the form of negotiated loans out of the balance of National Small Savings Fund;

(d) if so, whether these loans could be at a rate well below the rates for such loans which states contract from institutions like LIC and HUDCO; and

(e) if so, to what extent this decision has been helpful for the States to improve their financial position?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) and (e) Do not arise.

Increase in maximum allowable FDI

62. SHRI R.P.GOENKA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering a proposal to make 76 per cent as the maximum allowable FDI in any sector;

(b) if so, whether the proposal would be considered with retrospective effect or only for future FDI applications; and

(c) whether Government propose to bring in a sunset clause as regards the applicability of Press Note 18 in case of new subsidiaries incorporated for investments pertaining to Research and Development (R&D) activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) Does not arise.

(c) Government reviews FDI policy from time to time. No proposal is pending for decision in respect of new subsidiaries incorporated for Research and Development (R&D) activities.

Reduced rate of interest on Housing Loans

63. DR. ALLADI P. RAJKUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether nationalised banks and financial institutions are giving the benefit of reduced rate of interest on housing loans to its existing as well as new customers;

(b) whether Government are not extending benefit of reduced rate of interest on housing loans to those Government employees who have taken House Building Advance from Government offices at higher rates of interest;

(c) whether Government propose to introduce concept of giving housing loans to its employees on basis of floating rate of interest like nationalised banks and financial institutions; and

(d) if not, the reasons therefor?